GOVERNMENT OF INDIA
SHIPPING
LOK SABHA

UNSTARRED QUESTION NO:1853
ANSWERED ON:28.07.2016
Logistics Hub
Lakhanpal Shri Raghav

Will the Minister of SHIPPING be pleased to state:

(a) whether any Memorandum of Understanding (MoU) has been signed between the Inland Waterways Authority of India (IWAI) and the Dedicated Freight Corridor Corporation of India Limited (DFCCIL) to create logistics hubs with rail connectivity at various locations including Varanasi on national waterways;
(b) if so, the details and the objectives thereof along with the locations identified for such logistics hubs;
(c) the present status of work thereon, location-wise including Varanasi; and
(d) the advantage in terms of efficiency, cost-effectiveness, cargo transportation etc. likely to accrue as a result thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF SHIPPING
(SHRI PON. RADHAKRISHNAN)
(a):Yes, Madam.

(b): A Memorandum of Understanding (MoU) has been signed between the Inland Waterways Authority of India (IWAI) and the Dedicated Freight Corridor Corporation of India Limited (DFCCIL) on 19th March, 2015. The objective of the MoU is to carry out various activities connected with and leading to setting up of multi-modal logistics parks at locations decided by IWAI. Apart from Varanasi, IWAI will be setting up multi-modal terminals (MMTs) at Sahibganj (Jharkhand) and Haldia (West Bengal).

(c): Work order for construction of Varanasi terminal (Phase-I) has been issued and contractor has commenced mobilization. The work is likely to be completed in 26 months as per contractual provisions. Feasibility study prepared by the consultant has been reviewed by DFCCIL and forwarded to North Central Railway (NCR) for in principle approval. In Sahibganj and Haldia land for MMT has been acquired by IWAI.
(d):The advantages in terms of efficiency, cost-effectiveness in multi-modal terminal (MMT)/logistics hubs are quick trans-shipment, better handling and faster movement of cargo. This will ultimately lead to reduction in end to end logistics cost, shorter turnaround time (TAT) and efficient utilization of resources.

Few benefits of development of multi-modal terminal with DFCCIL Corridor connectivity are as under:-

(i) Development cost of IWT Terminal is much lower than rail and road.
(ii) Reduces transportation losses.
(iii) Less fuel consumption.
(iv) Less CO2 emission.
(v) Less Land requirement.
(vi) Safe mode to transport hazardous and over dimensional cargo.
(vii) Reduces pressure on road and rail.
(viii) Reduces congestion and accidents on road.

The direct rail connectivity with Dedicated Freight Corridor (DFC) network would facilitate direct reception and dispatch of railway rakes in the port areas. The infrastructure proposed would also have capabilities of handling raw and finished products. Main cargo traffic proposed to be handled through the terminal are fertilizers, food grains & flour, cement, stone chips & sand, edible oil, local handloom silk products and over-dimensional cargo etc.
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